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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the joint application of
Wisconsin Energy Corporation and Integrys
Energy Group, Inc., for approval, pursuant
to MCL 460.6q, for the transfer of control
of Wisconsin Public Service Corporation
and Michigan Gas Utilities Corporation;
and the joint request of Wisconsin Public
Service Corporation, Michigan Gas Utilities
Corporation and Wisconsin Electric Power
Company for waivers from, or declarations
regarding the applicability of, the code of
conduct and affiliate transaction
guidelines and related approvals.

Case No. U-17682

Volume 3

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MOTION HEARING

Proceedings held in the above-entitled
matter before Sharon L. Feldman, Administrative Law Judge
with MAHS, at the Michigan Public Service Commission,
525 West Allegan Street, Nisbet Room, Lansing, Michigan,
on Wednesday, October 29, 2014, at 10:05 a.m.

APPEARANCES:

SHERRI A. WELLMAN, ESQ.
MICHAEL C. RAMPE, ESQ.
Miller Canfield Paddock & Stone
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Lansing, Michigan 48933

On behalf of Wisconsin Energy Corporation,
Integrys Energy Group, Inc., Wisconsin Public
Service Corporation, Michigan Gas Utilities
Corporation, and Wisconsin Electric Power Company

(Continued)

1 APPEARANCES Continued:

2 RICHARD J. AARON, ESQ.
3 Dykema Gossett, PLLC
4 Capitol View
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Lansing, Michigan 48933

5 On behalf of Fibrek and Cloverland Electric
6 Cooperative

7 MICHAEL E. MOODY,
8 Assistant Attorney General
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Lansing, Michigan 48909

9 On behalf of Attorney General Bill Schuette

10 SPENCER A. SATTLER,
11 Assistant Attorneys General
6520 Mercantile Way, Suite 1
12 Lansing, Michigan 48911

13 On behalf of Michigan Public Service
14 Commission Staff

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24 REPORTED BY: Marie T. Schroeder, CSR-2183

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1 Lansing, Michigan

2 Wednesday, October 29, 2014

3 10:05 a.m.

4 (Hearing resumed pursuant to notice.)

5 JUDGE FELDMAN: On the record. Good
6 morning. We are here on the Attorney General's motion,
7 and I'll ask the counsel present to place their
8 appearances on the record, please. Mr. Moody.

9 MR. MOODY: Good morning, your Honor.
10 Michael Moody on behalf of Attorney General Bill
11 Schuette.

12 JUDGE FELDMAN: Thank you. Mr. Aaron.

13 MR. AARON: Thank you, your Honor.
14 Richard J. Aaron of Dykema Gossett on behalf of Fibrek
15 and Cloverland.

16 JUDGE FELDMAN: Thank you. Mr. Rampe or
17 Ms. Wellman.

18 MR. RAMPE: Good morning, your Honor.
19 Michael C. Rampe and Sherri A. Wellman from Miller
20 Canfield Paddock and Stone, PLC, appearing on behalf of
21 the Joint Applicants.

22 JUDGE FELDMAN: Thank you. And Mr.
23 Sattler.

24 MR. SATTLER: Good morning, your Honor.

25 Spencer Sattler appearing on behalf of Michigan Public

1 Service Commission Staff.

2 JUDGE FELDMAN: All right. Mr. Moody, I
3 have read the motion, I have read the Joint Applicants'
4 response supporting the motion. I am just looking for
5 some comfort from you that this is something that I have
6 the authority to grant. I believe it's somewhat
7 unprecedented, at least I'm not aware of any similar
8 efforts to revise a schedule in a case under this
9 particular statute.

10 MR. MOODY: Your Honor, I thought about
11 that after I saw the exchange of e-mails. I think there
12 is nothing different than that certificate of necessity,
13 whatever case that you did. I think you were the ALJ on
14 one previously where there was a similar statute where
15 the, I think, a 180-day timeframe, but there was a
16 trigger in the statute that said the rates would be
17 effective upon the 181st day. In this case, a similar
18 situation, the statute has a 180-day timeframe. There is
19 no trigger to it or penalty that on the 181st day, that
20 some action will take place. I see this as nothing
21 different than the prior MichCon case, DTE Gas, where
22 they filed a rate case and then removed it, and at some
23 point later filed it again, and the Commission never
24 penalized that situation where an applicant, you know,
25 can remove their case and come back at a later date.

1 And this situation is a little different,
2 but the Applicants have agreed to adjust the date of
3 essentially the filing of their request to re-do this
4 merge. So it would be nothing different than that.

5 I don't see that any statutory power has
6 to be granted, I don't see any statute in there saying
7 you couldn't do this. That seems to be within the realm
8 of the ALJ's scheduling powers.

9 JUDGE FELDMAN: Well, the Commission has
10 promulgated some specific rules directing this type of
11 schedule that we have set here. But I did look at those
12 rules, and one of the provisions there, and I think it's
13 R460.303, after indicating that we have to set a 180-day
14 schedule at the initial prehearing says: The schedule
15 established by the presiding officer may be amended by
16 the presiding officer or the Commission as provided by
17 law.

18 So would you say that this stipulation,
19 which is generally encouraged by both the APA and the
20 Commission rules, stipulations, would meet the language
21 of that?

22 MR. MOODY: Yes, your Honor. I believe
23 that is correct.

24 JUDGE FELDMAN: O.K.

25 MR. MOODY: And all the parties, as you

1 see in the stipulation, are agreeing to the dates and the
2 move of the timeframe. I think we can put on the record,
3 you know, at least the parties here, that we wouldn't
4 challenge the timeframe. I think by agreeing to it -- by
5 signing the stipulation we're agreeing not to challenge
6 the 180-day timeframe.

7 JUDGE FELDMAN: And there would be no
8 need for any actual re-filing or second prehearing
9 conference or anything like that?

10 MR. MOODY: I don't think so. I know I
11 talked about the idea of re-filing. That was just an
12 example of where a utility has filed a rate case and they
13 removed it, and it seems to be the power of the applicant
14 to do that, to move that timeframe if they want, if the
15 applicant is in agreement to that. I think it's
16 essentially the same thing. They're not objecting to
17 this timeframe being moved up. And that by moving the
18 actual timeframe, that it avoids the 180 days being
19 violated, actually.

20 JUDGE FELDMAN: All right. Mr. Rampe.

21 MR. RAMPE: Yes. Good morning, your
22 Honor. Thank you. From the Joint Applicants'
23 perspective, we don't see any reason why the parties
24 cannot stipulate to treat the 180-day period set forth in
25 Section 6q(5) as starting in this case on December 15,

1 2014, and scheduling a -- or coming up with a schedule
2 accordingly from that date as a starting point.

3 Looking at the Administrative Procedures
4 Act, Section 801(d) states that the presiding officer may
5 regulate the course of the hearings, set the time and
6 place for continued hearings and fix the time for filing
7 of briefs and other documents. So we view you as being
8 well within the bounds of the law to grant this
9 stipulation.

10 JUDGE FELDMAN: All right. You don't
11 think I need to defer ruling on this to the Commission
12 itself, that I could grant it?

13 MR. RAMPE: Yes.

14 JUDGE FELDMAN: All right. Mr. Sattler?

15 MR. SATTLER: Your Honor, I agree with
16 everything that has been said. I'm not aware of any
17 authority that would prohibit you from agreeing to move
18 the 180-day period by stipulation of the parties. I have
19 reviewed the statute and the Commission's rules as well,
20 and I don't see anything that would prevent you from
21 doing that.

22 JUDGE FELDMAN: Thank you. Mr. Aaron.

23 MR. AARON: Well, it's hard to add
24 anything new, other than it's a remarkable day that I'm
25 agreeing with the Attorney General.

1 But I do agree that I believe the
2 stipulation of the basis for going forward. I think that
3 you do have the authority under the rules that you
4 mentioned, the APA that was mentioned by the Joint
5 Applicants. I believe when I researched the question on
6 the statutory deadlines, that I have concluded that it's
7 a waivable right and the stipulation in essence does
8 that. And so I'll just leave it at that. I think you
9 can do that in this case.

10 JUDGE FELDMAN: All right. Does anybody
11 have anything else to add on this topic?

12 It's my understanding that the parties do
13 intend to file a written stipulation, and if they do
14 file such a stipulation, and as I understand the
15 timeframes to be ones in which I'm available, I will
16 grant it. So thank you all very much for giving me the
17 assurances that I requested this morning. And I can tell
18 by all the flurry of e-mails how hard you all worked to
19 try to come up with a schedule that would meet
20 everybody's requirements and reflect additional
21 compromises and considerations on everybody's part. So
22 thank you all very, very much.

23 If there is nothing further from anybody
24 else, once I see the stipulation I'll actually issue a
25 ruling and set a scheduling memo revising the schedule.

1 There being nothing else, we're
2 adjourned. Thank you.

3 MR. MOODY: Thank you.

4 MS. WELLMAN: Thank you, your Honor.

5 (At 10:15 a.m., the hearing was adjourned.)

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C E R T I F I C A T E

I, Marie T. Schroeder (CSR-2183), do
hereby certify that I reported in stenotype the
proceedings had in the within-entitled matter, that
being Case No. U-17682, before Sharon L. Feldman,
Administrative Law Judge with MAHS, at the Michigan
Public Service Commission, Lansing, Michigan, on
Wednesday, October 29, 2014; and do further certify that
the foregoing transcript, consisting of Volume 3, Pages
51-60, is a true and correct transcript of my stenotype
notes.

Marie T.
Schroeder

Digitally signed by Marie T. Schroeder
DN: cn=Marie T. Schroeder, o=Metro
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Date: 2014.11.03 13:32:03 -05'00'

Marie T. Schroeder, CSR-2183
Notary Public, Oakland County
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Dated: November 3, 2014